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JUN 1 1949

MEMORANDUM FOR THE ACTING DIRECTOR OF INTELLIGENCE,
DEPARTMENT OF THE ARMY

FROM: Director of Central Intelligence

SUBJECT: The German Railway Systems (ORE 14-49)

1. Your memorandum of 24 May 1949, containing comments on the subject document, has been received.

2. This study was undertaken in view of a substantial interest which the Joint Chiefs of Staff and other agencies have evidenced in the German railways, as well as to provide various units of CIA with a recent estimate on this subject. Shortly after the project was initiated, a representative of CIA called on Colonel Van Wyck, Chief, ID-4, Department of the Army, explaining that CIA desired the best basic intelligence available in order to prepare an evaluation of the present significance of the German railways. The distinction between this type of estimate and a basic reference document, such as the transportation section of an NIS report, was specifically discussed. Colonel Van Wyck's office was very cooperative and supplied the CIA representative with much valuable data. Subsequently, as you state, CIA received the first draft of the chapter on railway transportation for NIS 13, the contents of which provided additional assistance in the preparation of ORE 14-49.

3. The estimates prepared by CIA usually rely heavily on intelligence supplied by the IAC agencies. In the case of ORE 14-49, the annex comprises almost entirely data of a basic nature. The decision to append this material was taken in the belief that a minimum amount of background intelligence should be available for reference to anyone reading the main part of the report. In certain cases, CIA attributes such intelligence to the agency which has been the primary producer. It will be appropriate, therefore, to distribute ORE 14-49 with the statement that the data in the annex are drawn principally from US Army intelligence.

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4. The subject report will be sent to your office in a few days for final coordination in accordance with the usual practice. Possibly, in the meantime representatives of CIA can discuss with your transportation specialists the question of the military capabilities of the German railroads in an emergency. The views of your office on this aspect, which is treated in the main part of ORE 14-49, would be very valuable.

signed & deep 6/1

R. H. HILLENKOEETTER
 REAR ADMIRAL, USN
 DIRECTOR OF CENTRAL INTELLIGENCE

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NOTE: Basic Communication refers to ORE request for comments on ORE 14-49. ID/GSUSA believes this study is duplication of effort, competing with NIS program (Section 31, NIS 13 - German Railway systems). Wished to call our attention to this.

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